

William J. McGinley, Esq. Ann M. Donaldson, Esq. Jones Day 51 Louisiana Avenue, NW Washington, DC 20001

DEC 2 2 2015

RE:

MUR 6817

Dr. Monica Wehby for U.S. Senate, et al.

Dear Mr. McGinley and Ms. Donaldson:

On May 13, 2014, the Federal Election Commission notified your clients, Dr. Monica Wehby for U.S. Senate and Bryan Burch in his official capacity as treasurer and Dr. Monica Wehby, of a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was forwarded to your clients at that time.

On December 17, 2015, after reviewing the allegations contained in the complaint, your clients' response, and other available information, the Commission voted to dismiss the allegations that Dr. Monica Wehby for U.S. Senate and Bryan Burch in his official capacity as treasurer and Dr. Monica Wehby violated 52 U.S.C. § 30116(f). The Factual and Legal Analysis, which more fully explains the Commission's decision, is enclosed for your information.

You are advised that the confidentiality provisions of 52 U.S.C. § 30109(a)(12)(A) remain in effect, and that this matter is still open with respect to other respondents. The Commission will notify you when the entire file has been closed.

If you have any questions, please contact Allison T. Steinle, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Mark Shonkwiler

Assistant General Counsel

Marl Harbila

Enclosure
Factual and Legal Analysis

1 2	FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS		
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5	MUR:	6817	
6 7 8 9	RESPONDENTS:	Dr. Monica Wehby for U.S. Senate and Bryan Burch in his Official Capacity as Treasurer Dr. Monica Wehby	
10 11	I. INTRODU	CTION	
12	This matter	was generated by a complaint alleging violations of the Federal Election	
13	Campaign Act of 1971, as amended, (the "Act") by Dr. Monica Wehby for U.S. Senate and		
14	Bryan Burch in his Official Capacity as Treasurer ("Wehby Committee"), Dr. Monica Wehby, If		
15	He Votes Like That In Salem Imagine What He Will Do In Congress and Carol Russell in her		
16	Official Capacity as Treasurer ("If He Votes"), and Andrew Miller. The Complaint alleges that		
1.7	If He Votes made a prohibited contribution to Wehby by coordinating a billboard and radio		
18	advertisement with the Wehby campaign.		
19	As explained below, the Commission exercises its prosecutorial discretion to dismiss the		
20	allegations that Dr. Monica Wehby for U.S. Senate and Bryan Burch in his Official Capacity as		
21	Treasurer or Dr. Monica Wehby accepted in-kind contributions as a result of the advertisements		
22	in violation of 52 U.S.C. § 30116(f). See Heckler v. Chaney, 470 U.S. 821 (1985).		
23	II. FACTS		
24	A. Bac	kground	
25	Dr. Monica	Wehby was a candidate in the 2014 Republican Senate primary in Oregon. 1	
26	She filed her Statement of Candidacy with the Commission on October 24, 2013. The Webby		

Wehby won the Republican primary on May 20, 2014, making her the Republican nominee for the general election. Wehby lost the general election on November 4, 2014.

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- 1 Committee is Webby's authorized campaign committee. Representative Jason Conger was
- Wehby's opponent in the primary race.
- If He Votes is an independent expenditure-only political committee registered with the
- 4 Commission. It filed its Statement of Organization on March 5, 2014, and has regularly filed
- 5 disclosure reports and independent expenditure notices with the Commission.
- To date, If He Votes has been funded primarily by two individuals, Loren Parks and
- 7 Andrew Miller. Parks and Miller have contributed \$83,033 and \$30,950, respectively, of the
- 8 \$114,033 that If He Votes has received in total receipts since its formation. Of the \$30,950 that
- 9 Miller contributed to If He Votes, \$5,950 consisted of in-kind "billboard" expenses. See If He
- 10 Votes 2014 April Quarterly Report (filed Apr. 14, 2014).
- Miller also contributed \$5,200 to the Wehby Committee on November 1, 2013, and was
- 12 one of 25 hosts listed on an invitation for a Wehby Committee fundraiser at a private residence
- on April 30, 2014. See Webby Committee 2013 Year-End Report (filed Jan. 26, 2014); Compl.,
- 14 Ex. C.

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B. If He Votes' Communications

- Since its formation, If He Votes has sponsored at least two communications criticizing
- 17 Conger. ² The first advertisement was a billboard, for which Miller appears to have made the
- in-kind contribution in the amount of \$5,950.3 The billboard, as represented in a photograph
- 19 attached to the Complaint, read:

If He Votes' disclosure reports indicate that it also made an independent expenditure of \$6,860 for a "mailer" opposing Conger on May 15, 2014. See If He Votes 2014 July Quarterly Report (filed July 15, 2014). This mailer is not raised in the Complaint, and we do not address it in this Report.

If He Votes reported the receipt and corresponding disbursement of a \$5,950 "In-Kind: Billboard" contribution from Miller on March 19, 2014, on its 2014 April Quarterly Report. If He Votes did not report any additional receipts or expenditures that appear related to billboard time or production.

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Republican (?) Jason Conger voted <u>5 times</u> with Democrats for Oregon's OBAMACARE! Imagine how he'll vote as a U.S. Senator.

Paid for by If He Votes Like That In Salem Imagine What He Will Do In Congress (www.ifhevoteslikethatinsalem.com) and not authorized by any candidate or candidate's committee.

7 Compl., Ex. A (emphases in original).

The second advertisement was a radio advertisement. The radio advertisement, as represented in an audio clip and transcript attached to the Complaint, ran 57 seconds, and stated:

Republican Jason Conger voted with Democrats for Oregon's Obamacare. Not once or twice, or three or four times – Republican Jason Conger voted five times with Democrats for Oregon's Obamacare. Republican Jason Conger also voted with Democrats for the boondoggle I-5 light rail bridge. You know, the one that promised astronomical costs coupled with high tolls for working people, but no traffic relief. And Republican Jason Conger voted with Democrats to put the government into the hotel business, competing with private enterprise. Jason, Republicans don't like it when you vote that way. So now we're gonna vote 'no' on Jason Conger!

Paid for by If He Votes Like That In Salem Imagine How He Will Vote In Congress. Not authorized by any candidate or candidate's committee.

- 22 Id. at 2 n.2 (citing Jeff Mapes, Timber Baron Andrew Miller Says He Didn't Tell Monica Wehby
- 23 About His Ads Attacking Jason Conger, THE OREGONIAN, Apr. 16, 2014,
- 24 http://www.oregonlive.com/mapes/index.ssf/2014/04/timber baron andrew miller say.html
- 25 ("Mapes, Timber Baron") (providing an audio clip of the radio advertisement)), Ex. B.
- Throughout the course of the primary campaign, several news articles discussing the
- 27 activities of If He Votes mentioned that Miller had formerly been "romantically linked to"
- Wehby and involved in her campaign fundraising. *Id.* at 2-4. Miller publicly denied

The Complaint specifically cites to Christian Gaston, Top Oregon GOP Donor Andrew Miller Has Ties to Candidates for Governor, Senate and Congress, THE OREGONIAN, Oct. 30, 2013, http://www.oregonlivc.com/politics/index.ssf/2013/10/top-oregon_gop-donor_andrew_mi.html, and Jeff Mapes, Andrew Miller, Friend of Monica Wehby, Helps Fund Ads Attacking Her GOP Rival, Jason Conger, THE OREGONIAN, Apr. 15, 2014, http://www.oregonlive.com/mapes/index.ssf/2014/04/ andrew miller friend of monica.html. According to a news report that was submitted to the Commission in this

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- l coordinating with the Wehby campaign and was quoted as stating that "the advertising campaign
- 2 [by If He Votes] was run independently of Wehby and her campaign as required by federal
- 3 election law." Id. at 2 n.2 (citing Mapes, Timber Baron). According to a news article in The
- 4 Oregonian:

Miller acknowledged that there is a "sidebar risk" that his advertising effort could be seen negatively because of his relationship to Wehby. But, he added, "I don't think it's relevant outside of a group of people who pay a lot of attention to politics." [Miller] said polling showed this risk was far outweighed by the effectiveness of the attacks he and Parks are making on Conger's voting record in the state House.

11 Id.

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The Commission possesses information that Gregg Clapper, a political consultant, developed the two communications. The Commission also possesses information that Miller had no involvement in the creation of content, media purchases, or timing of content dissemination to the public attributable to If He Votes.

III. LEGAL ANALYSIS

The Complaint alleges that If He Votes made a prohibited contribution to Wehby by
coordinating the billboard and radio advertisement with the Wehby campaign. Compl. at 3-4;
Supp. Compl. at 3-4. Under the Act, when a person or committee pays for a communication that
is coordinated with a candidate or his or her authorized committee, the communication is
considered an in-kind contribution from the person or committee to that candidate and is subject
to the limits, prohibitions, and reporting requirements of the Act. 52 U.S.C. § 30116(a)(7)(B)(i);

11 C.F.R. § 109.21(b). Under 11 C.F.R. § 109.21, a communication is coordinated if it: (1) is

- paid for by a person other than the candidate or candidate's committee; (2) satisfies one or more
- of four content standards set forth at 11 C.F.R. § 109.21(c); and (3) satisfies one or more of six
- 3 conduct standards set forth at 11 C.F.R. § 109.21(d).
- In this matter, the payment and content prongs are satisfied. If He Votes reported making
- 5 a \$5,950 disbursement for billboard expenses on March 19, 2014, and \$59,557 in total
- 6 independent expenditures for "radio ads" between April 1, 2014, and April 3, 2014. See
- 7 11 C.F.R. § 109.21(a)(1). Moreover, based on information before the Commission, it appears
- 8 that the billboard and radio advertisement meet the content prong because each is a public
- 9 communication that clearly identified Conger, was disseminated within 90 days of the May 20,
- 2014, primary election, and was targeted to voters in Oregon. See 11 C.F.R. § 109.21(c)(4).
- The main issue, therefore, is whether the communications satisfied the conduct prong.
- 12 The conduct standard is satisfied when, among other things, the communication is made at the
- 13 request or suggestion of a candidate, a candidate or authorized committee is materially involved
- 14 in decisions regarding the communication, or a communication is made after substantial
- discussion about that communication with a candidate. See 11 C.F.R. §§ 109.21(d)(1)-(3).
- 16 Neither the material involvement nor substantial discussion standard is "satisfied if the
- information material to the creation, production, or distribution of the communication was
- obtained from a publicly available source." 11 C.F.R. §§ 109.21(d)(2)-(3).
- The Complaint asserts that Miller was "intimately involved" with Webby both personally
- and as a fundraiser, and therefore likely "exposed to nonpublic information about the campaign's

The other three types of conduct that may satisfy the conduct standard are using a common vendor, using a former employee, and republication of campaign materials. See 11 C.F.R. § 109.21(d)(4)-(6). Because the Complaint does not allege this conduct, and because the Commission possesses information indicating that Clapper did not do any work for Wehby or her campaign, the Commission's analysis does not address these three types of conduct.

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- 1 nonpublic plans, projects, activities, or needs." Compl. at 4. The Complaint cites news articles
- 2 to support the theory that Miller's relationship with Wehby allowed him access to inside
- 3 campaign information.⁶ Another article provided to the Commission, however, states that the
- 4 relationship ended the previous year, in the spring of 2013.

5 The Complaint also asserts that "Miller was intimately involved in the strategic decision-

6 making of If He Votes' because he had spoken on the public record about If He Votes' polling

decisions as a representative of the group. *Id.* at 3; Supp. Compl. at 2. Yet the Commission

8 possesses information that Miller had no involvement in any such polling effort. Moreover, the

9 Commission possesses information that If He Votes did not conduct any polling.

The Complaint further asserts that by contributing funds and the use of billboard advertising space, Miller was involved "in decisions regarding the time, place, and manner" of the advertisement, Compl. at 3, but the Commission possesses information that Miller had no input into the two communications. In this case, Miller's contribution of funds and the use of "some billboard time" to If He Votes does not alone establish the conduct prong of 11 C.F.R. § 109.21. The record provides no indication that Miller actually had access to non-public campaign information, and it does not establish that he requested or made decisions on behalf of Wehby as to how the funds or billboard time were to be used. See 11 C.F.R. § 109.21(d).

Under the circumstances, the Commission concludes that pursuing this matter

See Christian Gaston, Top Oregon GOP Donor Andrew Miller Has Ties to Candidates for Governor, Senate and Congress, THE OREGONIAN, Oct. 30, 2013, http://www.orogonlive.com/politics/index.ssf/2013/10/top_oregon_gop_donor_andrew_mi.html, and Jeff Mapes, Andrew Miller, Friend of Monica Wehby, Helps Fund Ads Attacking Her GOP Rival, Jason Conger, THE OREGONIAN, Apr. 15, 2014, http://www.oregonlive.com/mapes/index.ssf/2014/04/ andrew miller friend of monica.html.

See John Bresnahan, Ore. Senate Hopeful Accused of Stalking Boyfriend, POLITICO, May 16, 2014, http://www.politico.com/story/2014/05/ore-senate-hopeful-accused-of-stalking-boyfriend-106751.html).

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- 1 further would not be a prudent use of its resources. Accordingly, the Commission exercises its
- 2 prosecutorial discretion to dismiss the allegations that Dr. Monica Webby for U.S. Senate and
- 3 Bryan Burch in his Official Capacity as Treasurer or Dr. Monica Wehby accepted in-kind
- 4 contributions as a result of the advertisements in violation of 52 U.S.C. § 30116(f).